



State of California
Employment Training Panel

Training Proposal for:
**The Corporation for Manufacturing Excellence
dba Manex**

Agreement Number: ET09-0286

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **San Francisco Bay Area**

Analyst: T. Teles

PROJECT PROFILE

Contract
Type: Priority/Retrainee
Priority/SB<100
Retrainee
Retrainee SB<100

Industry
Sector(s): Various Industries

Counties
Served: Statewide

Repeat
Contractor: ☒ Yes ☐ No

Union(s): ☐ Yes ☒ No

Priority
Industry: ☒ Yes ☐ No

Turnover Rate %	Manager/ Supervisor %
≤20%	≤20%

FUNDING DETAIL

Program Costs	Support Costs	Total ETP Funding
\$1,402,435	\$97,340	\$1,499,775

In-Kind Contribution
\$1,085,575

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Average No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Advanced Technology Business Skills Computer Skills Continuous Improvement Management Skills Manufacturing Skills Hazardous Materials Literacy Skills	115	24-200	0	\$2,021	\$12.85
				Weighted Avg: 105			
2	Priority/SB <100	Advanced Technology Business Skills Computer Skills Continuous Improvement Management Skills Manufacturing Skills Hazardous Materials Literacy Skills	480	24-200	0	\$2,002	\$12.85
				Weighted Avg: 72			
3	Retrainee	Advanced Technology Business Skills Computer Skills Continuous Improvement Management Skills Manufacturing Skills Hazardous Materials Literacy Skills	75	24-200	0	\$1,684	\$12.85
				Weighted Avg: 105			
4	Retrainee SB<100	Advanced Technology Business Skills Computer Skills Continuous Improvement Management Skills Manufacturing Skills Hazardous Materials Literacy Skills	40	24-200	0	\$2,000	\$12.85
				Weighted Avg: 85			

5	Priority/SB <100	Advanced Technology Business Skills Computer Skills Continuous Improvement Management Skills Manufacturing Skills Hazardous Materials Literacy Skills	50	24-200	0	\$2,002	\$12.85
				Weighted Avg: 72			

Minimum Wage by County: \$14.02 for Alameda, Contra Costa, Los Angeles, Marin, Orange, San Francisco, San Mateo, Santa Clara, and Santa Cruz counties; \$13.58 for Sacramento County; \$13.37 for San Diego County; \$13.28 for Ventura County; and \$12.85 for all other counties.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☐ No ☒ Maybe

Participating employers may use health benefits to meet the Post-Retention Wage.

Other Benefits: Vary among participating employers

Wage Range by Occupation	
Occupation Title	Wage Range
Support Staff	
Production Staff	
Technical Staff	
Manager/Supervisor	

INTRODUCTION

In this proposal, The Corporation for Manufacturing Excellence dba Manex (Manex) seeks funding for retraining as outlined below:

Manex, headquartered in San Ramon, is a non-profit corporation that was formed in 1995 to promote the creation of jobs in California and help manufacturers and distributors gain a competitive edge in the global market. Manex provides advisory and implementation service to increase growth, productivity, and quality that enable the companies to remain competitive and increase market share. Manex provides services in corporate strategy and planning, marketing strategy, training and development, Lean Manufacturing, supply chain and logistics, Six Sigma, ISO, and performance management systems.

This will be the ninth Agreement between Manex and ETP. Under Manex's eight previous projects, over 350 employers have received ETP-funded training. Manex representatives report that at least 75% of these firms are small businesses employing 100 or fewer full-time employees. Although there are four months of training time remaining in the current agreement, Manex has committed its ETP funds and needs the full 24 month term of the new agreement to continue to provide training to participating employers.

Manex markets ETP funding to employers in five industry segments: metals and machining, electronics, food processing and packaging, biotechnology and instrumentation, and plastics, composites and injection molding. Based on industry, these five industry groups represent over two-thirds of manufacturers in California. Manex staff meets with participating employers to conduct a formal training needs assessment for each employer's production, technical, support, and management employees, to determine the appropriate training curriculum, training vendor(s), and delivery method. The result of the assessment is a customized training plan tailored for each participating employer, which supports the company's goals to increase productivity and efficiency, reduce costs, find new markets, remain competitive, and meet its operational goals.

Employer Demand

Panel policy requires multiple employer contractors provide evidence of employer demand for training. Manex's staff has provided documentation in support of continued demand on behalf of employers for ETP-funded training services. The initial core group of participating employers for this Agreement includes 10 manufacturers and companies facing out-of-state competition and of those, 7 are small businesses that have 100 or fewer employees. The core group of employers propose to retrain 318 employees.

PROJECT DETAILS

Based on information provided by California manufacturers and obtained by Manex through client visits, trade associations and industry focus groups, there is continued high demand for training in Advanced Technology (AT), Business Skills, Computer Skills, Continuous Improvement Skills, Management Skills, Manufacturing Skills, Literacy Skills, and Hazardous Materials.

Advanced Technology

Manex is requesting reimbursement for the AT rate to meet the needs of the participating employers. Manex provided an AT menu curriculum which will be customized to the individual employer. If during the Agreement term, a participating employer requests AT training, Manex will submit the customized AT curriculum for staff's approval prior to start of training and will also provide information justifying the employer's request. The justification will include a description of the nature and content of the training, how the training is customized to the occupations and the type of sophisticated equipment and software trainees must use. The participating employer must also agree to a trainer-to-trainee ratio of 1:10 for any AT training.

Commitment to Training

Manex representatives state that most participating small to mid-sized manufacturers have not been able to provide formal on-site customized training programs and often lack professional development plans for their employees, even though the businesses recognize the need for training. Manex finds that businesses offer their employees the opportunity to improve their skills through ad-hoc and informal skills training, on the job training, outside seminars, workshops for individual employees, and tuition reimbursement. The ETP-funded training program allows the participating employers to provide a customized, comprehensive training program to a larger number of their workforce.

Each participating employer will complete a Certification Statement outlining the need for training, the nature of the training, the employer's commitment to training, and its in-kind contribution. It is expected that the contractor will serve primarily small manufactures that have

been unable to provide substantial training on company time to their employees because of limited resources and the inaccessibility of customized training.

Manex represents that ETP funds will not displace the existing financial commitment to training of participating employers. Indeed, Manex anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Manex represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by Manex under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET07-0323	\$998,605	4/30/07 – 4/29/09	897	369	210

Training is provided mainly in Northern California. Manex representatives report that they project earnings of \$939,995 or 94% by October 2008 and will earn the remaining funds by January 2009.

PRIOR PROJECTS

The following table summarizes performance by Manex under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned
ET02-0286	Statewide	06/01/02-05/31/04	\$1,540,420	\$1,232,360
ET04-0453	Statewide	11/15/03-11/14/05	\$1,645,455	\$1,226,543
ET06-0110	Statewide	07/06/05-07/05/07	\$2,773,550	\$475,916

ET02-0286 - earned 81% of the funds.

ET04-0453 - earned 75% of the funds.

ET06-0110 - earned 17% of the funds: Manex representatives report that the lower placement rate for this Agreement was due to changes in senior management and reorganization of Manex, and ETP project managers left Manex for other jobs.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

Training vendors will be identified for ETP record-keeping purposes as they are retained by Manex for each participating employer.

Exhibit B: Menu Curriculum

Literacy Training cannot exceed 45% of job skills training hours

Class Lab Hours

24 - 200

Trainees will receive any of the following:

BUSINESS SKILLS

- Budget Analysis
- Business Plans
- Business Strategies
- Communication Skills
- Computer/Internet Applications in Business
- Customer Service
- Developing Sales Strategies
- Developing Marketing Strategies
- Inventory Control
- Listening Skills
- Materials Management
- Marketing for Small/Medium Sized Manufacturers:
 - Evaluating Marketing Effectiveness
 - Marketing Concepts
 - Marketing Techniques
 - Practical Marketing Applications
- Multi-cultural Awareness
- Negotiating Skills
- Project Management Techniques
- Relationship Building for Small/Medium Sized Manufacturer
- Business Administration for Small/Medium Sized Mfg.
- Selling/Serving the Customer
- Technical Writing

COMPUTER SKILLS

- Accounting Systems
- Basic Operations
- CAD
- CAE
- CAM
- CNC
- C++
- Computer-based/Web-based Training Systems
- Communications Systems
- Database Management
- Desktop Publishing
- Digital Entertainment Systems
- E-Commerce Systems
- Graphics
- Internet

- Manufacturing Resource Planning (MRP)
- Multimedia Systems
- Networks
- Operating Systems
- Payroll Systems
- Power Builder
- Presentation
- Programming
- Publishing
- Software Applications
- Spreadsheets
- Technical Writing
- Telecommuting
- Website Development and Maintenance
- Wireless & Cellular Communication Systems
- Word Processing
- Workstation Design/Application

CONTINUOUS IMPROVEMENT

- Assessment Principles
- Audit Principles
- Basic Quality Tools
- Benchmarking Principles
- Building Teams
- Business Improvement Principles
- Communication Skills
- Continuous Improvement Skills
- Creative/Innovative Thinking Skills
- Creative Problem Solving Skills
- Cycle-time Reduction Techniques
- Cycle-time Management Techniques
- Decision Making Skills
- Defining Problems
- Design for Manufacturing Acceptability
- Design of Experiments
- Developing Action Plans
- Developing Solutions
- Effective Meetings
- Effective Teams
- Effective Writing
- Empowerment Processes
- Ergonomics
- Good Manufacturing Practices (GMP)
- Hazardous Analysis Critical Control Points (HACCP)
- High Performance Work Teams
- Implementation Skills

- Interpersonal Skills
- Interpreting & Analyzing Data
- ISO
- Just-in-Time Production (JIT):
 - o Cycle-time Reduction
 - o Cycle-time Management
 - o Developing JIT
 - o Evaluating JIT
 - o Implementing JIT
 - o Organizing for JIT
 - o JIT Principles
 - o JIT Production
- Lean Manufacturing
- Leadership Skills
- Manufacturing Excellence
- Manufacturing Resource Planning (MRP)
- Monitoring The Process
- Presentations
- Process Control Principles
- Process Capabilities
- Process Improvement
- Process/Product Handling
- Production Scheduling
- Production Operations/Workflow
- Root Cause Analysis
- Self-directed Work Teams
- Situation/Problem Analysis
- Statistical Process Control (SPC):
 - o Data Collection
 - o Design for Manufacturing Acceptability
 - o Design of Experiments
 - o Developing SPC
 - o Documenting Processes
 - o Evaluating SPC
 - o Failure Mode Effects Analysis
 - o Five S Principles
 - o Graphing
 - o Implementing SPC
 - o Kaizen Principles
 - o Kanban Principles
 - o Key Process Indicators
 - o Lean Manufacturing Principles
 - o Organizing for SPC
 - o Root Cause Analysis
 - o SPC Concepts, Theory & Application
 - o SPC Tools
 - o Statistical Process Control (SPC)
 - o Six Sigma

- o Statistical Techniques
- o Taguchi Methods
- o Variation/Process Control
- o Validation
- System Analysis
- System Strategies
- Taguchi Methods
- Taking Responsibility
- Team Building/Problem Solving:
 - o Building Teams
 - o Communication
 - o Creative/Innovative Thinking
 - o Decision Making
 - o Developing Action Plans
 - o Developing Solutions
 - o Effective Teams
 - o Empowerment Process
 - o High Performance Work Teams
 - o Leadership
 - o Multicultural Communication/Diversity
 - o Problem Solving
 - o Self-directed Work Teams
 - o Situation/Problem Solving
 - o Team Concepts
 - o Team Building/Problem Solving
 - o Teamwork in an Empowered Workforce
- Total Quality Management (TQM):
 - o Audit Planning
 - o Basic Quality Tools
 - o Benchmarking
 - o Business Process Improvement Change Process
 - o Continuous Improvement
 - o Creative Problem Solving/Innovation
 - o Creative/Innovative Thinking
 - o Developing TQM
 - o Evaluating TQM
 - o Implementing TQM
 - o Organizing for TQM
 - o Quality Concepts
 - o Total Quality Management (TQM)
 - o TQM Strategies
- Train the Trainer
- Value Stream Mapping
- Variation/Process Control

HAZARDOUS MATERIALS

- Asbestos Removal
- Environmental Protection
- Hazardous Material Handling
- Hazardous Chemical Cleaning/Handling
- Hazardous Waste Cleaning

MANAGEMENT SKILLS (For Managers & Supervisors only)

- Appraisal Skills
- Coaching/Feedback
- Communication Skills
- Conflict Management
- Decision Making/Problem Solving
- Developing Teams
- Effective Meetings
- Effective Writing
- Facilitation Skills
- Finance for Small/Medium Sized Manufacturers
- Interviewing Skills
- Leadership/ Management Development
- Management Skills
- Management Styles
- Managing Change
- Managing Customer Service (Internal & External)
- Managing Diversity/Differences
- Managing Innovation
- Manufacturing Cells
- Marketing for Small/Medium Sized Manufacturers
- Motivation/Reinforcement
- Performance Management
- Project Management
- Strategic Planning
- Supervisory Skills

MANUFACTURING SKILLS

- Air Filtration/Clean Room
- Assembly Operations
- Assembly & Surface Mount
- Automated Equipment
- Bagging Machines
- Bio-science Manufacturing
- Blueprint Reading
- Computer Aided Design (CAD)
- Computer Aided Engineering (CAE)
- Computer Aided Manufacturing (CAM)
- Computer Numeric Control (CNC)
- Computer ++ (C++)
- Cellular Manufacturing
- Chemistry
- Computer Electronics
- Cycle Time Reduction

- Cutting
- Electro Static Discharge
- Electronics
- Electronic Assembly Workmanship
- Equipment Operations
- Equipment/Preventive Maintenance
- Enterprise Resource Planning (ERP)
- Ergonomics
- Facilities Management
- Fabric/Garment Manufacturing Skills
- Food Processing
- Forklift
- Five S Principles
- Good Manufacturing Practices (GMP)
- Handling Changes
- Hazardous Analysis Critical Control Points (HACCP)
- Inventory Control
- International Standards Organization (ISO) Certification
- Kaizen Principles
- Kanban Principles
- Layout
- Lean Manufacturing Principles
- Machining
- Machine Trades
- Maintenance Mechanic Overview Level 1
- Maintenance Mechanic Overview Level 2
- Machine Tool Technology
- Introduction to Hand Tools
- Manufacturing Processes
- Meeting Customer Expectations (Internal/External)
- Metrology/Geometric Dimensioning & Tolerances
- Mounts
- Manufacturing Resource Planning (MRP)
- Optimal Operating. Methods
- Physics
- Pneumatics/Hydraulics
- Presses
- Pressing
- Production Techniques
- Programmable Logic Controllers (PLC)
- Quality
- Re-engineering Concepts
- Refrigeration/Heating
- Root Cause Analysis
- Sequencing Sewing Operations

- Set up Reduction
- Sew Engineering/Setting Piece Rates
- Sew Trainer
- Shipping/Receiving
- Shop skills -- Drawing, Measurement and Instrumentation
- Soldering Skills
- Special Machines/Inspections
- Statistics Skills for Operations
- Surface Mount Technology
- Technical Training
- Total Productive Manufacturing
- Total Quality Management
- Training Within Industry (TWI)
- Understanding Product Specs/Drawings
- Value Stream Mapping
- Warehousing Operations/Distribution
- Welding
- Work Measurement
- Workflow
- World Class Manufacturing Principles

LITERACY SKILLS

VESL:

Comprehension Skills:

- Communicating Common Work-related Instructions
- Equipment Operation Language
- Job related Vocabulary & Phrases
- Multi-cultural Communication
- Shop Floor Language
- SPC Language
- Understanding Common Work-related Instructions
- Understanding Schematics Used On The Job

Oral Skills:

- Basic Grammatical Structure
- Presentation Skills
- Pronunciation
- Vocational Vocabulary and Phrases
- Basic Writing Skills
- Completing Job-related Forms
- Computer Skills
- Reading Comprehension

Basic Math:

- Applying Math to Job Functions
- Fundamentals of Mathematics

ADVANCED TECHNOLOGY

- Advanced Computer/Networking Techniques
- Advanced Continuous Improvement Techniques
- Advanced Engineering
- Advanced Graphics Techniques
- Advanced Manufacturing Techniques
- Advanced Oracle
- Advanced Publishing Techniques
- Advanced Printing Techniques
- Animation, Film/Video Editing
- Asynchronous Transmission Mode (A TM)
- Avionics Manufacturing
- Biotech Production Techniques
- Computer Programming
- Computer Networking
- Data Base Management
- Digital Technology
- Digital Post Production
- Disk Drive Technology
- ERP-Super Applications - Non-basic
- E-Commerce Applications
- Java Applications & Programming
- Local Area Networks (LAN)
- MRP- Super Applications- non-basic
- Microsoft Certified Systems Engineer (MCSE)
- Microsoft Certified Systems Designer (MCSD)
- Microsoft Network Applications
- Multimedia Skills
- Synchronous Optical Transmission (SONET)
- SUN Platform Systems
- UNIX Solaris
- Wide Area Networks (WAN)
- Web Site Development

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: The Corporation for Manufacturing Excellence dba CCG No.: ET09-0286
Manex

Reference No: 09-110

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PRINT OR TYPE

Company: Alpha Research & Technology

Address: 5175-A Hillsdale Cir., Ste. A

City, State, Zip: El Dorado Hills, CA 95762

Contact Person/Title: Glen Langstaff, COO & VP

Telephone No.: 916-431-9340

Collective Bargaining Agreement(s): No

Estimated #of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 45

Total # of full-time company employees in California: 40

Company: Crossfield Products

Address: 3000 E. Harcourt St.

City, State, Zip: Rancho Dominguez, CA 90221

Contact Person/Title: Brad Watt, President

Telephone No.: 310-886-9100

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 87

Total # of full-time company employees in California: 43

Company: Cultured Marble Products

Address: 2701 Merced St.

City, State, Zip: San Leandro, CA 94577

Contact Person/Title: Matt Clementz,, President

Telephone No.: 510-483-1202

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 70

Total # of full-time company employees worldwide: 80

Total # of full-time company employees in California: 80

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: The Corporation for Manufacturing Excellence dba CCG No.: ET09-0286
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Reference No: 09-110

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Company: Cytosport Inc.

Address: 4795 Industrial Way

City, State, Zip: Benicia, CA 94510

Contact Person/Title: Kirk Conners, VP of Ops.

Telephone No.: 707-751-3942

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 40

Total # of full-time company employees in California: 40

Company: Diamond Bullnosing

Address: 1950 Olivera Rd, Ste. B

City, State, Zip: Concord, CA 94520

Contact Person/Title: Domenick Vaticano, Owner

Telephone No.: 925-685-7100

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 40

Total # of full-time company employees in California: 40

Company: Holz Rubber Co.

Address: 1129 South Sacramento St.

City, State, Zip: Lodi, CA 95241

Contact Person/Title: Tom Azevedo, Controller

Telephone No.: 209-368-7171

Collective Bargaining Agreement(s): No

Estimated #of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 108

Total # of full-time company employees in California: 97

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: The Corporation for Manufacturing Excellence dba CCG No.: ET09-0286
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Reference No: 09-110

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Company: LJ Engineering

Address: 440 Aldo Ave.

City, State, Zip: Santa Clara, CA 94054

Contact Person/Title: Peggy Lord, Manager

Telephone No.: 415-990-7203

Collective Bargaining Agreement(s): No

Estimated #of employees to be retrained under this Agreement: 40

Total # of full-time company employees worldwide: 100

Total # of full-time company employees in California: 100

Company: Sony Electronics

Address: 1730 N. First St.

City, State, Zip: San Jose, CA 95112

Contact Person/Title: Bryan Boroughf, Administration Manager

Telephone No.: 408-352-4286

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 10,000

Total # of full-time company employees in California: 4,000

Company: Volcano Corp.

Address: 2870 Kilgore Rd

City, State, Zip: Rancho Cordova, CA 95670

Contact Person/Title: Alicia Chatman, Director of HR

Telephone No.: 916-638-8008 or 916-281-2795

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 505

Total # of full-time company employees in California: 300

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: The Corporation for Manufacturing Excellence dba CCG No.: ET09-0286
Manex

Reference No: 09-110

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Company: Wilkinson Manufacturing

Address: 545 Aldo Ave., Ste. 10

City, State, Zip: Santa Clara, CA 95054

Contact Person/Title: Doug Greene, President

Telephone No.: 408-988-3588

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 8

Total # of full-time company employees worldwide: 11

Total # of full-time company employees in California: 11

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California: